

ALABAMA DEPARTMENT OF REVENUE
REVENUE PROCEDURE 97-004

DATE: November 18, 1997

SUBJECT: General Policy Relating to the Proper Time to File a Tax Lien

Scope. This revenue procedure is issued pursuant to Section 40-2A-5 to provide guidance as to the applicability of this state's taxing statutes in Section 40-1-1, et seq., Code of Alabama 1975, to prescribe the proper time for filing a tax lien by the Alabama Department of Revenue. This procedure applies to tax liens prescribed in Sections 40-1-2(a) and Sections 40-29-20.

Definitions. The following terms have the meanings ascribed to them for purposes of this revenue procedure.

Lien. Per definition in Section 40-1-2 and Section 40-29-20.

Final Assessment. Per definition in Section 40-2A-7.

Applicability of taxing statutes. This revenue procedure provides guidelines regarding the proper time to file a tax lien pursuant to Sections 40-1-2(c) and 40-29-22.

Procedure. Except as provided below, pursuant to Sections 40-1-2(c) and 40-29-22, a lien may ***not*** be filed by the Alabama Department of Revenue until an assessment becomes final and the 30-day appeal period has expired.

In the case where a taxpayer has appealed a final assessment by filing a valid notice of appeal with the Administrative Law Division, no lien shall be filed until a final order is issued by the Administrative Law Judge.

This procedure does not preclude the Alabama Department of Revenue from filing a lien where it is determined that circumstances exist sufficiently to jeopardize the department from collecting a tax liability, nor does this procedure apply to jeopardy assessments. The circumstances under which a lien is filed prior to a final assessment must be documented by the Alabama Department of Revenue; however, such documentation need not be done prior to issuance of a lien.

Effective Date. This revenue procedure is effective immediately.

H. E. Monroe, Jr.
Commissioner of Revenue